

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

8 March 1976

Mr. John O. Marsh, Jr.
Counselor to the President
The White House
Washington, D. C. 20500

Dear Jack:

I was fortunate enough to run into Walter Pforzheimer out at the Agency. He retains the oral history of Agency affairs and he dug up the attached materials relating to our current [] matter.

STATINTL

Walter tells me that the attached bill, S2833, was introduced as a means to coming to grips with the problem of securing cable communication "of or to any foreign government." Walter tells me that the legislation was allowed to die after a White House meeting (maybe with President Truman) obtained the continued cooperation of the []

STATINTL

It is conceivable that the Truman Library, or other archives might reflect this meeting and the understanding that was reached. In any event, the attached is an interesting insight into how the problem was viewed 28 years ago.

Cheers,

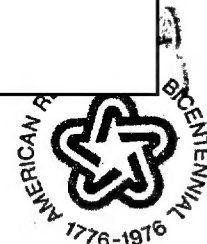


STATINTL

Special Counsel to the President

cc: Mr. Buchen
Mr. Scalia
Mr. Lee
Mr. Wiley

STATINTL



MEMORANDUM FOR: The General Counsel

SUBJECT : Legislative Protection for Companies Furnishing Certain Sensitive Information to the Government

With regard to our conversation this morning, I furnish you herewith extracts from my Legislative/Assistant General Counsel Journal pertinent to subject. I have phoned the dates involved to Mr. Felix Larkin, former General Counsel, Department of Defense, so that he can refresh his recollection.

STATINTL

1. 19 March 1948. [redacted] Mr. Houston and I conferred with Mr. Larkin regarding Section 605 of the Federal Communications Act.

2. 10 May 1948. Mr. Houston and Mr. Pforzheimer discussed with Mr. Larkin the proposed text of a bill for Comint in an attempt to reshape a compromise solution acceptable to the service and this Agency. No final answer has as yet been given.

18 May 1948.

3. /Mr. Larkin, Office of the Secretary of Defense, called to state that the Department of Justice still objects to the agreed language of the COMINT bill as too loose, insofar as it allows the President to designate the agencies involved. The Bureau of the Budget, however, likes the version agreed upon and will clear it with the President, regardless of the Justice objections. The Bureau of the Budget wishes, however, to include the phrase "under such rules and regulations as approved by the President" in the text. Mr. Houston has concurred for CIA and Mr. Larkin will attempt to clear through the Budget Bureau.

[Later entry, same day]. Concurred with Mr. Larkin, office of Secretary of Defense, on the transmission of the approved version of the COMINT bill and its accompanying letter to the Bureau of the Budget.

4. 2 June 1948. Attended meeting of representatives of the Armed Services, with Mr. Larkin, Office of Secretary of Defense, representative of the State Department and FCC, with Mr. Newstaat [Richard Neustadt] of the Bureau of the Budget, to discuss the proposed COMINT bill. The objection voiced by the State Department to the use of the term "foreign government" was withdrawn immediately prior to the meeting. The FCC stood upon its previous objections, due in large measure to not understanding the background of the bill. They stated that it involved a basic change in their law and that there seemed little reason for the bill in that it was not as good as we would have liked. Following rather lengthy objections, Mr. Newstaat gave it as his opinion that the Bureau of the Budget would clear the bill on a "no objection" basis.

5. 3 June 1948. Mr. Houston and Mr. Pforzheimer attended a meeting with Mr. Larkin, office of Secretary of Defense, for further discussion of the Comint bill, which the Bureau of the Budget is attempting to clear through the President today. A further limitation against interception of interstate telephone communications was agreed upon.

6. 4 June 1948. Mr. Larkin indicated to us further dissent of the Bureau of the Budget in connection with the Comint bill.

[Later entry, same day]. Mr. Larkin, Office of Secretary of Defense, stated that at a meeting of the Federal Communications Commission the Commission agreed to go along with the Comint bill as it presently stood. However, the Bureau of the Budget has indicated its desire to follow a course to which everyone has concurred: "Nothing in

this amendment shall be construed to authorize the interception of interstate or intrastate telephone communications".
Approved For Release 2003/10/01 : CIA-RDP79M00467A000200160015-7

7. 12 June 1948. In conjunction with Mr. Larkin, Office of the Secretary of Defense, and Col. Hays, ASA, conferred with Sen. Ferguson (R. Mich.) on S. 2833, to amend Section 605 of the Communications Act of 1934. At Sen. Ferguson's request we then drafted a memorandum on the bill for the Senator's use.

STATINTL

8. 22 December 1948. [redacted] and Mr. Pforzheimer discussed with Mr. Larkin, Office of the Secretary of Defense, problems raised by our memo dated 20 December 1948 to the Bureau of the Budget, and agreed on the joint action which was the basis of Mr. Pforzheimer's conversations with Mr. Staats. This has been approved by the Deputy Director subject to confirmation tomorrow by the Director. [This item may not be pertinent and probably refers to the Omnibus Security Bill].

STATINTL

9. 18 April 1949. Discussed with the Director and [redacted] proposed action by the Secretary of Defense in connection with Comint legislation.

STATINTL

[redacted]
Walter Pforzheimer

80TH CONGRESS
2D SESSION

S. 2833

IN THE SENATE OF THE UNITED STATES

JUNE 8 (legislative day, JUNE 1), 1948

Mr. WILEY introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To amend section 605 of the Communications Act of 1934 in order to increase the security of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 605 of the Act of June 19, 1934, entitled "An
4 Act to provide for the regulation of interstate and foreign
5 communication by wire or radio, and for other purposes"
6 (48 Stat. 1103), as amended, is hereby further amended by
7 striking out therefrom the period at the end of said section
8 and substituting therefor a colon followed by the words:
9 *"Provided further, That this section shall not apply to the*
10 interception, receipt, or utilization, in the interests of national

1 security, of the contents of any communication, by wire or
2 radio, of or to any foreign government by departments and
3 agencies designated by the President for this purpose under
4 such rules and regulations as may be approved by the Presi-
5 dent, and all carriers subject to this Act are hereby authorized
6 to permit such interception, receipt, or utilization of the con-
7 tents of any such communication by wire or radio, pro-
8 vided that nothing in this amendment shall be construed to
9 authorize the interception of interstate and intrastate tele-
10 phone communications. The term 'foreign government' as
11 used in this section shall be construed to include in its mean-
12 ing any person or persons acting or purporting to act for or
13 on behalf of any faction, party, department, agency, bureau,
14 or military force of or within a foreign country, or for or on
15 behalf of any government or any person or persons purporting
16 to act as a government within a foreign country, whether or
17 not such government is recognized by the United States."

80TH CONGRESS
2d Session

S. 2833

A BILL

To amend section 605 of the Communications
Act of 1934 in order to increase the security
of the United States, and for other purposes.

By Mr. WILEY

JUNE 8 (legislative day, JUNE 1), 1948

Read twice and referred to the Committee on the
Judiciary